

# CITY OF DETROIT REQUEST FOR QUALIFICATIONS & PROPOSALS 1625 W. LAFAYETTE (FORMER LADDER NO. 12)

# City of Detroit Request for Proposals/Qualifications 1625 W. Lafayette (a/k/a Former Detroit Fire Department Ladder No. 12) Lot Size: 9,409 square feet or .22 Acres

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## SECTION I PURPOSE OF THE REQUEST FOR PROPOSALS/QUALIFICATIONS

The City of Detroit's Planning and Development Department (P&DD) is seeking statements of qualifications from qualified entities for the purposes of re-developing a site known as 1625 W Lafayette (a/k/a Former Detroit Fire Department Ladder No. 12). The site contains the former Detroit Fire Department Ladder number 12, a two-story commercial brick structure along with a surface parking lot. P&DD is interested in the sale and redevelopment of this site that is located on West Lafayette between 10<sup>th</sup> Street and Rosa Parks Boulevard.

The intent of this Request for Proposals/Qualifications (RFP/Q) is to retain an experienced and qualified Developer who will submit a solid, financial feasible plan for the adaptive reuse of the site and vacant building. For this site, P&DD envisions a number of potential uses which include but are not limited to commercial, restaurant, entertainment, residential, lofts, work-live, light industrial, warehousing, institutional, office, etc

The selected developer will be responsible for all infrastructure costs related to the project, included but not limited to electrical, street, water, sewerage, etc.

# SECTION II PROPERTY OVERVIEW

#### **Property Description**

The property is the former Fire Station Ladder No. 12 located at 1625 W. Lafayette, Detroit, Michigan. The land area is approximately 9,409 square feet. The two-story brick building has 4,825 square feet and was built in approximately 1925. The parking area in the rear is paved enclosed with cyclone fencing. There is also an older, brick and block garage in the rear. The building has two baths; one being a two-fixture and the other being a five-fixture. The building has been vacant since 2012 and has some interior damage.

#### **Zoning/Master Plan**

The current zoning of the site is M-4 (Intensive Industrial District) which is designated primarily for industrial, manufacturing and warehouse land uses. Uses allowed conditionally, may be permitted only after special approval by the authorities having jurisdiction.

In accordance with the Corktown Detroit Master Plan of Policies, the Recommended Future General Land Use for this site is Mixed Use Commercial/Residential area. Land uses permitted under this category include commercial, two-family residential, lofts and apartment building uses.

## SECTION III MINIMUM BID PRICE

The City of Detroit has established a "minimum bid" price for 1625 W. Lafayette of \$116,000. Each applicant must include a bid price in their submission package; otherwise it shall be ineligible for consideration.

The selected developer for this RFP/Q will have the opportunity through its due diligence process, to establish direct costs related to the project (environmental conditions and remediation, lot preparation, etc.). The selected developer can then make a case for direct and indirect benefits that the project will provide (removal of blight, neighborhood business development, amount of equity investment, temporary and permanent local employment and other positive economic impacts) and request that the initial bid be reduced in order that the project can be economically feasible. This process will take place only after a development entity has been selected. Any reduction of price will be at the discretion of the City. The selected developer will have a 30-day due diligence period to review building conditions.

#### SECTION IV EVALUATION AND SELECTION PROCESS

#### **Evaluation and Selection Process**

An evaluation committee will be established to review submissions. The committee will consist of representatives from the Planning & Development and the General Services Departments. Additionally, the committee may include assistance from selected consultants.

In accordance with the schedule set forth below, the evaluation committee will consider responses to the RFP/Q. The submission of a proposal with all the requested information does not guarantee the proposing firm will be a candidate for an interview.

The evaluation committee may elect to schedule interviews with a short list of submitters. The Respondent(s) interviewed will be given the opportunity to discuss in more detail their qualifications, past experience, proposed plan, and redevelopment proposal during the interview process. The interview shall consist of a presentation of approximately thirty (30) minutes by the Respondent, followed by approximately sixty (60) minutes of questions and answers. Audiovisual aides may be used during the interviews. Following the presentation, the committee may request additional financial, feasibility or other information.

The evaluation committee reserves the right to contact references and verify material submitted in any Proposal.

Following the interview phase, and assuming the evaluation committee elects to pursue a specific Proposal, a Respondent may be selected.

In the event that the foregoing process does not result in the execution of a definitive selector, the City of Detroit, at its sole option, may choose to initiate negotiations with any other qualified Respondent, reopen the entire RFP/Q process, or pursue any other avenues for the sale of the property deemed appropriate by the City of Detroit.

The selected Respondent, after approval of sale by City of Detroit, must commence full security of property and actual redevelopment of the Property and be proceeding toward the expeditious completion of the project on and before the end of calendar year 2013. As set forth below, a Respondent's demonstrated capacity to meet the time line will be a factor in evaluation of its proposal.

#### **Selection Criteria**

#### Responses to this RFP/Q will be evaluated using the following criteria:

Overall Concept Strength- Overall strength	30%
of development proposal.	
Financial Strength of Respondent and	30%
<b>Proposal</b> – Depth and credibility of financial	
pro forma, ability to deliver identified financial	
sources, and capacity of development	
principals – ability to finance Proposal,	
including demonstrated ability to procure	
financing and complete project.	
Proposed Timeline and Key Conditions -	30%
Proposals must include information on the	
schedule anticipated by the Respondent,	
including timing for site plan development,	
securing construction financing, and any other	
necessary conditions outside the control of the	
City of Detroit or the Respondent, but required	
for completion of the project. Respondent must	
show ability to complete project as proposed	
on schedule.	
Bid Price	10%

Your response must be signed by an official authorized to bind your firm or team to its provisions, and must state the names, addresses, and phone numbers of all persons authorized to negotiate the proposed project.

The major criteria for selecting an entity will be the submission of qualifications that meet with criteria stated previously in the <u>Submission Requirements</u> Section. A qualified entity is an individual or development team that, in the opinion of P&DD, possesses the experience and financial resources necessary to successfully undertake and complete the development of the site within the requirements of federal and local laws and regulations.

#### SECTION V RESERVATION OF RIGHTS

The City of Detroit reserves the right to reject any and all proposals and to select the proposal it deems is in the best interests of the City, even if it not the highest purchase price.

The City of Detroit reserves and may exercise the right to request one or more of the developers to provide additional material, clarification, confirmation or modification of any information in the submission, and can supplement, amend, substitute, cancel, or otherwise modify this Request for Proposal anytime prior to the selection of one or more developers.

#### Please Note: All Property will be sold "AS IS"

Prospective candidates are hereby notified that the Planning and Development Department has not investigated the environmental condition of any of the properties included in this RFP/Q. Various Federal, State, or other City agencies may have information regarding the environmental condition of the site. Each firm is encouraged to conduct its own due diligence regarding the environmental condition of the property which that firm proposes to acquire and is notified that the property may be the subject of environmental contamination. The City of Detroit makes absolutely no warranty or representation regarding the environmental condition of the site offered within this RFP/Q.

### SECTION VI SUBMISSION PROCESS

#### **General Request Parameters**

In accordance with the terms and conditions set forth in this Request for Proposals, the City of Detroit is seeking proposals for the acquisition and redevelopment of the subject property. All proposals will be subject to the evaluation criteria set by the City of Detroit.

#### **Directions for Submissions**

The required submission of the Statement of must be submitted in an 8.5" x 11" format via online at <a href="RFPResponse@detroitmi.gov">RFPResponse@detroitmi.gov</a>, or hand delivered to P&DD, 65 Cadillac Tower, 20th Floor. Proposals sent by overnight delivery service will be considered timely filed if date stamped at least one (1) day before the date set for receipt of the RFP/Q and time stamped at a time that should have, pursuant to the express policy of the overnight delivery service used, permitted delivery at the date, time and place set for receipt of proposals. The burden of proof to establish timely filing of a proposal by overnight delivery service shall be solely upon the entity or person submitting the proposal. It is the respondent's obligation to ensure the required submission arrives in a timely manner at the specified location. Any submission, which is not properly marked, addressed or delivered to the submission place, in the required form, by the required submission date and time will be ineligible for consideration.

Faxed submissions of the Statement of Qualifications will not be accepted. Once received by the Real Estate Development Division of the Planning & Development Department,

submissions will not be returned. Formal communication, such as requests for clarification and/or information concerning this solicitation shall be submitted in writing to the Real Estate Development Division at the address listed below. No information concerning this solicitation or request for clarification will be provided in response to telephone calls.

All expenses involved with the preparation and submission of the RFP/Q to the City of Detroit, or any work performed in connection therewith shall be assumed by the developer. No payment will be made by the City of Detroit for any responses received, nor for any other effort required of or made by the developer prior to commencement of work.

All information in a Respondent's Proposal is subject to disclosure under the provisions of Public Act No. 442 of 1976, as amended (known as the Freedom of Information Act). It should be noted that submission contents will not be deemed proprietary information and individuals who submit Proposals will have the ability to review other Proposals after an announcement of award is made.

#### **Format - Proposal Submissions and Clarifications**

<u>Using the following format, Responses Statement of Qualifications submissions must include the following information in the order listed which will serve as the Statement of Qualifications:</u>

- **Section 1.** Project Description: A description of your organization's approach to the development of this property including identification of key milestones and a strategy for developing the site.
- **Section 2**. Overview of the Organization: A general description of the Developer's organization and current and past development experience. An organizational chart of the members of the Development Team should be included along with a designation of the individual who is responsible for day-to-day planning and development activities for the overall project team. A letter should acknowledge the participation of each team member. The respondent shall provide a listing of all projects currently underway or completed within the past five (5) years.
- **Section 3**: Letters of Reference: The respondent shall provide at least one (1) corporate letter of reference/support from each of the following entities: financial, legal and public sector sources references, including telephone and facsimile numbers for each reference.
- **Section 4:** Project Schedule: The respondent should also include a preliminary time table along with action steps needed to undertake and complete the project. Including start and completion dates and other key dates as identified for action. The proposal must include deadline by which the project will be initiated and completed.
- **Section 5**: Project Financing: Include specific terms of Property Acquisition, development budget preparation (sources and uses of funds to complete construction), investment analysis, etc. Respondent must provide proof of its ability to close transaction with 30 days of City of Detroit approval.
- **Section 6**. Financial Commitments: Any financial commitments or projections not otherwise shown above.

**Section 7**. Infrastructure: Specifically identify any public infrastructure, utility, zoning or other public or quasi-public entitlements, onsite or offsite improvements, not presently in place, which the Respondent assumes will need to be provided or approved by a State, County or local governmental unity or public utility provider.

#### **Section 8**. Proposal Exhibits:

#### SECTION VII SUBMISSION DEADLINE

To be considered, all RFP/Qs must be submitted online to: <u>RFPResponse@detroitmi.gov</u>, or delivered to the Planning and Development Department, Real Estate Development Division, located at 65 Cadillac Square, Development Division, 20<sup>th</sup> Floor, Detroit, Michigan, before 3:00 p.m. local time May, 23, 2013. The responsibility of submitting the RFP/Q to the Real Estate Development Division rests entirely with the person or persons submitting the request.

On May 8, 2013 the Planning and Development Department will conduct an optional walk-thru of the **1625 W. Lafayette** building and site from (1PM – 3PM). Prior to accessing the building and site, each respondent will be required to sign a Right-of-Entry indemnification form that holds the City of Detroit harmless from any future legal action.

RFP/Qs may be obtained from the Planning & Development Department, Real Estate Development Division, 20<sup>th</sup> Floor, 65 Cadillac Square, Detroit, Michigan 48226 beginning, April 25, 2013, Tuesday to Fridays between 9:00 a.m. and 4:00 p.m. excluding holidays.

## SECTION VIII REQUEST OF QUALIFICATIONS TIMETABLE

## <u>ACTIVITIES</u> <u>DATE</u>

RFQs Available for Distribution	April 25, 2013
Walk-thru of <b>1625 W. Lafayette</b>	May 8, 2013 (1PM – 3PM)
Deadline for Receipt of Qualifications	May 23, 2013
Selection of Preferred Developer or Short List	June 3, 2013
Oral Interviews (if necessary)	June 13, 2013
Final Selection/Recommendation	June 20, 2013
Notification Letter to Winning Proposal	June 27, 2013

For any questions regarding the submission of qualification statements, please contact:

Mr. James Marusich,
Manager - Real Estate Development
Planning & Development Department
(313) 224-3517

JMarusic@detroitmi.gov



Address 1625 W Lafayette Blvd Detroit, MI 48216

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